IN THE UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF TEXAS HOUSTON DIVISION

In re:) Chapter 11
ARENA ENERGY, LP, et al., ¹	Case No. 20-34215 (MI) (Jointly Administered)
Debtors.))
ARENA ENERGY, LP,	
Plaintiff,)
v.) Adv. Proc. No. 20-03404
WT OFFSHORE, INC. and 31 GROUP, LLC,)
Defendants.	_)

<u>Declaration of Don Metz in Support of Arena Energy, LP's Verified Original Complaint and</u>
<u>Application for Temporary Restraining Order, Preliminary Injunction, and Permanent Injunction</u>

- I, Don Metz, make this declaration under 28 U.S.C. § 1746:
- 1. I am the Chief Geologist at Arena Energy, LP, a limited partnership organized under the laws of Delaware and one of the above-captioned debtors and debtors in possession and an authorized officer of each debtor. I joined Arena in 2002. My work at Arena focuses on creating opportunities for exploration and development, identifying and evaluating acquisition opportunities, and assessing third-party prospects. I manage the company's opportunity-generating staff. I have identified potential drilling targets which have resulted in the drilling of over 200 wells, with a success rate above 90 percent. I graduated from Louisiana Tech University in 1979 and have also worked for Newfield Exploration Company, SOCO Offshore, Delmar Operating, and Westland Oil Development Corporation.

¹ The debtors in these chapter 11 cases, along with the last four digits of each debtor's federal tax identification number, are: Arena Energy, LP (1436); Arena Energy 2020 GP, LLC (N/A); Arena Energy GP, LLC (7454); Arena Exploration, LLC (1947); Sagamore Hill Holdings, LP (8266); and Valiant Energy, L.L.C. (7184). The location of the debtors' service address is: 2103 Research Forest Drive, Suite 400, The Woodlands, Texas 77380.

- 2. All facts set forth in this Declaration are based upon my personal knowledge of Arena's employees, operations and finances, information learned from my review of relevant documents, information supplied to me by other members of Arena's management team and their advisors, or my opinion based on my experience, knowledge, and information concerning the Debtors' operations, financial affairs, and restructuring initiatives. If called upon to testify, I could and would testify to the facts and opinions set forth in this Declaration.
- 3. I have reviewed and am familiar with the documents and data that Arena placed in the virtual data room to facilitate the Evercore sales process. The substantial and comprehensive data contained in the virtual data room reflects Arena's desire to provide potential bidders who sign a confidentiality agreement with a fulsome and comprehensive body of information about Arena's assets.
- 4. Exhibit 8 to the Complaint is a true and correct copy of a document listing the documents and data Arena placed in the virtual data room. I am familiar with this document and can confirm that it accurately represents what is in the data room.
- 5. I am familiar with and work with the seismic data that is reflected in materials in the data room, including maps and seismic lines. The reprocessed seismic data reflected in materials in the data room is highly confidential and provides Arena with a significant competitive advantage. Arena has spent years and significant resources working to refine its seismic data to better identify potential plays. Only a handful of companies have access to the underlying seismic data, and Arena is the only company that has access to the reprocessed seismic data. Arena has used the seismic data to identify a number of our prospects, and Arena would not have been able to find many of its prospects without this data. This data allows Arena to discover prospects where its competitors cannot. If Arena's competitors gain access to the

Case 20-03404 Document 3 Filed in TXSB on 08/28/20 Page 3 of 3

materials reflecting Arena's seismic data, Arena will need to bid more to acquire prospects, and I

expect that certain prospects will not become available that otherwise would have. There is no

way to know the full harms to Arena if the materials containing Arena's confidential and

proprietary reprocessed seismic data become available to its competitors without the protections

of a confidentiality agreement that prohibit the use of this information for competitive purposes.

6. The data room also contains confidential information about our discovery and

drilling methodology as well as information about where our methodology has been successful.

If this information were in the hands of Arena's competitors, it would be highly damaging to

Arena. Arena has developed its methodology over the past two decades at substantial cost to

Arena.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing statements are

true and correct.

Dated: August 28, 2020

Houston, Texas

/s/ Don Metz

Name: Don Metz Arena Energy, LP

Chief Geologist

3